

Report on budgetary and financial management

Financial year 2019

Agency report pursuant to Art. 103
of the Agency's financial rules

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Introduction

In accordance with Article No 21.2 of the Council Regulation (EC) No 168/2007 establishing the European Union Agency for Fundamental Rights and with Article No 103 of the financial rules applicable to the Agency's budget the "[...] Agency shall prepare a report on budgetary and financial management for the financial year." Based on the same article, the report "[...] shall give an account, both in absolute terms and expressed as a percentage, at least, of the rate of implementation of appropriations together with summary information on the transfers of appropriations among the various budget items."

1. Overview of the budget

1.1 Initial budget, amending budgets and final budget

The EU subsidy referred to the Agency's 2019 budget amounted to €22,446,000, which included North Macedonia's contribution (i.e. €175,000) and Serbia's contribution (i.e. €183,000).

During its 30th meeting, which took place on 13 and 14 December 2018, the Management Board adopted the final version of the 2019 Budget with the following changes compared to the draft estimate:

- Title I was increased by €104,000 to a total of €14,400,000 mainly mainly to cover the Agency's needs in schooling.
- Title II was increased by €161,000 to a total of €2,401,000. The difference mainly referred to a software error. Some types of costs were not exported when the Agency prepared its draft estimate. This error was noticed, fixed and the budget was corrected.
- Title III was decreased by €82,000 to €5,645,000 in order to maintain the total amount of the budget.

Therefore, the overall budget was increased by €183,000 in order to reach the amount that was adopted by the budget authority. This amount refers to decision No 1/2018 of the EU-Serbia Stabilisation and Association Council of 8 May 2018 where Serbia participates as an observer in the Agency's work (OJ L 229 of 12 September 2018).

Details on amendments and transfers are provided in the table overleaf.

Title Chapter	Heading	Voted budget (Dec. N-1)	Amendments / Transfers	Final budget
A-1	Staff expenditure	14,400,000	-526,333	13,873,667
A-11	Staff in active employment	12,043,000	-719,666	11,323,334
A-12	Expenditure on staff recruitment and transfer	74,000	-31,697	42,303
A-13	Missions and duty travel	85,000	19,394	104,394
A-14	Legal, medical and training expenditure	420,000	320,276	740,276
A-15	Mobility, exchanges of civil servants and experts	552,000	-89,464	462,536
A-16	Social welfare	1,223,000	-25,098	1,197,902
A-17	Entertainment and representation	3,000	-78	2,922
A-2	Buildings, equipment and miscellaneous operating expenditure	2,401,000	-20,804	2,380,196
A-20	Rental of buildings and associated costs	1,186,000	221,936	1,407,936
A-21	Data processing	769,000	-36,593	732,407
A-22	Movable property and associated costs	128,000	-76,038	51,962
A-23	Current administrative expenditure	148,000	-80,015	67,985
A-24	Postage and telecommunications	143,000	-42,466	100,534
A-25	Expenditure on meetings	11,000	-2,892	8,108
A-26	Studies, surveys, consultations	16,000	-4,736	11,264
B-3	Operational expenditure	5,645,000	791,137	6,436,137
B-32	Freedoms	1,047,000	497,140	1,544,140
B-33	Equality	735,000	219,164	954,164
B-36	Justice	445,000	105,622	550,622
B-37	Horizontal operational activities	2,405,000	420,407	2,825,407
B-38	Bodies of the Agency and consultation mechanisms	665,000	-103,196	561,804
B-39	Reserve for Title 3	348,000	-348,000	-
B-4	Other operational expenditure	-	181,576	181,576
B-40	Cooperation agreements	-	181,576	181,576
Total		<u>22,446,000</u>	<u>425,576</u>	<u>22,871,576</u>

List of amending budgets adopted by the Management Board

As shown below in the summary table one amending budget took place during the financial year.

AB	Date of adoption	Main subject Description	Official Journal	Impact on appropriations (in EUR)
1	16/05/2019	<p>The Agency received a total of €244,000 from the Austrian Authorities corresponding to the contribution of the annual rent for the period January – December 2019.</p> <p>Following the cooperation arrangement between the Financial Mechanism Office (FMO) and the Agency, the first will contribute to the latter by €1.5 million for the period 2018-2024. In 2019, the Agency received an amount of €107,143.</p> <p>In the frame of the cooperation arrangement with the FMO, the Agency also signed a partnership agreement with the Bulgarian National Statistics Institute for the period 2019-2021 for which the Agency will receive a maximum amount of €248,111 split in several instalments. Within this context, an amount of €74,433.30 was received in 2019.</p>	At the time of writing, the publication in the OJ is pending.	<p>Chapter 20 +€244,000</p> <p>Chapter 40 +€181,576</p>

List of transfers adopted by the Director

In 2019, the Director authorised seven budgetary transfers. The total amount transferred among Titles through these transfers was €16,572.

BT	Date of adoption	Main subject Description	Impact on appropriations (in EUR)
2019-01	05/03/2019	<p>The recruitment plan was updated and a number of staff members went on part time working and parental leave. Moreover, the temporary daily subsistence allowances were increased to cover the needs for two new recruitments. In addition, the Agency needed to develop a competency framework, which will help it to allocate its resources in a more efficient fashion. Furthermore, the number of children enrolled to pre-schooling was less compared to the initial estimations.</p> <p>The utilities and cleaning budget lines were adjusted to the actual needs. Similarly, less technical installation were needed compared to the estimations.</p> <p>The number of operational translations and publications was higher compared to the estimated ones and part of the operational reserves were used.</p>	<p>Chapter 11 -€95,000</p> <p>Chapter 12 +€10,000</p> <p>Chapter 14 +€100,000</p> <p>Chapter 16 -€15,000</p> <p>Chapter 20 +€17,110</p> <p>Chapter 22 -€17,110</p> <p>Chapter 32 +€4,000</p> <p>Chapter 38 +€10,000</p> <p>Chapter 39 -€14,000</p>

BT	Date of adoption	Main subject Description	Impact on appropriations (in EUR)
2019-02	04/06/2019	<p>Changes took place in the part-time working regime of staff members and new parental leaves were introduced. The recruitment plan for the Seconded National Experts was updated. The Agency had to cover the cost of new enrolments to the international school.</p> <p>In title III, the budget of the project "contributing to the work of relevant expert working groups to be set up within the EU High Level Group on combating racism, xenophobia and other forms of intolerance" was increased to include a study visit to enable exchange of practices between representatives of the expert working group and to support the development of the key guiding principles on cooperation between law enforcement and civil society organisations. In addition, the Agency needed to subscribe to online journals. Following the organisation of the National Liaison Officers meeting, this amount found to be in surplus. Funds from the operational reserves were used to cover part of the above needs.</p>	<p>Chapter 11 -€32,500</p> <p>Chapter 15 -€17,500</p> <p>Chapter 16 +€50,000</p> <p>Chapter 20 +€5,000</p> <p>Chapter 22 -€5,000</p> <p>Chapter 33 +€15,000</p> <p>Chapter 37 +€24,000</p> <p>Chapter 38 -€24,000</p> <p>Chapter 39 -€15,000</p>
2019-03	12/09/2019	<p>The cost of staff missions was increased where the recruitment plan for the Seconded National Experts was further updated and the budget was decreased.</p> <p>In title II, the Agency's actual needs in departmental removals and associated handling were reduced compared to previous years. On the contrary, the postage and delivery charges were increased.</p> <p>In title III, an Expert Working Group on hate crime recording, data collection and encouraging reporting of the EU High Level Group on combating racism, xenophobia and other forms of intolerance was organised to discuss the activity plan for 2020-2022.</p> <p>In addition, the Agency increased the budget of its EU Fundamental Rights Information System (EFRIS) tool, which displays data and information from existing online systems in order to cover emergent needs, include additional features and data sources.</p> <p>Moreover, two activities that were planned under the cooperation with national parliaments and networks of cities (e.g. 2020 European Capitals of Culture, European platform for Human Rights Cities, Intercultural cities of the Council of Europe, etc.) were postponed for 2020. Funds from the operational reserves were used to cover part of the above activities.</p>	<p>Chapter 11 +€1,500</p> <p>Chapter 13 +€10,000</p> <p>Chapter 14 +€6,968</p> <p>Chapter 15 -€18,468</p> <p>Chapter 23 -€12,000</p> <p>Chapter 24 +€12,000</p> <p>Chapter 32 +€9,899</p> <p>Chapter 33 +€30,000</p> <p>Chapter 36 -€4,000</p> <p>Chapter 37 +€50,000</p> <p>Chapter 38 -€56,667</p> <p>Chapter 39 -€29,232</p>
2019-04	11/11/2019	<p>Following a revision of the recruitment plan and the termination of a contract of employment, the budget was revised and reduced accordingly. In the context of existing and new court cases, the Agency needed funds to cover the costs for legal representation and increased its budget.</p>	<p>Chapter 11 -€40,000</p> <p>Chapter 14 +€40,000</p>

BT	Date of adoption	Main subject Description	Impact on appropriations (in EUR)
2019-05	10/12/2019	<p>Concerning Title I, following the payment of December's salaries, the remaining amount was reallocated to budget lines with needs. The actual need in installation, resettlement and transfer allowances was lower compared to the estimated. The Agency concluded two contracts for consultancy services in conducting a workload assessment and for the conceptualisation, design and implementation of a comprehensive competency framework. Following the payment of December's allowances for National Seconded Experts the remaining amount was reallocated to budget lines with needs. The actual expenditure for schooling and pre-schooling was less compared to the estimated.</p> <p>Regarding Title II, the Agency is negotiating the renewal of the lease agreement for its premises and decided not to make any investments in fitting-out of premises until these negotiations are concluded. The Agency's ICT network equipment (switches and WiFi access point system) reached their end of life. Therefore, it was decided to replace them. No furniture were needed and the amount provisionally budgeted was released. In addition, due to the fact that the Agency is negotiating the renewal of the lease agreement for its premises it postponed the acquisition of technical equipment.</p> <p>Under Title III, the Agency decided to evaluate the project hotspots - providing fundamental rights expertise to address operational challenges. This aim is to assess the relevance, added value, efficiency, effectiveness and sustainability of FRA liaison presence in Greece. The expenditure of research and communication activities in several projects was less compared to the estimations. The mid-term review of the Agency's strategy 2018-2022 needed to be conducted to assess the achievement of FRA's strategic pillars and objectives. The result of this review will assist the Management Board in the revision of the strategy in 2020.</p>	Chapter 11 -€75,999
			Chapter 12 -€26,697
			Chapter 13 +€9,394
			Chapter 14 +€170,076
			Chapter 15 -€53,496
			Chapter 16 -€23,199
			Chapter 17 -€78
			Chapter 20 -€30,000
			Chapter 21 +€78,509
			Chapter 22 -€45,755
			Chapter 23 +€5,735
			Chapter 24 -€6,897
			Chapter 25 -€1,592
			Chapter 32 +€18,488
			Chapter 33 -€41,095
			Chapter 37 +€33,107
			Chapter 38 -€10,500
2019-06	16/12/2019		Chapter 33 -€1,122
			Chapter 37 +€1,122
2019-07	20/12/2019	<p>Amounts that were found to be available at the end of the year under Title I were used to cover operational needs.</p> <p>Funds were needed for the increase of stock of Charter Country Sheets for proactive dissemination of country relevant Charter material among all EU Member States. In addition, the budget of several projects was fine-tuned to assist in concluding the final commitments.</p>	Chapter 14 -€11,455
			Chapter 16 -€1,899
			Chapter 21 -€4,399
			Chapter 22 -€1,000
			Chapter 23 +€2,465
			Chapter 24 -€284
			Chapter 32 +€69,012
			Chapter 33 -€50,883
			Chapter 36 -€5,863
			Chapter 37 +€27,103
			Chapter 38 -€22,029
			Chapter 39 -€768

List of transfers adopted by the Management Board

In 2019, two budgetary transfers were submitted to the Management Board for approval. The total amount transferred among Titles through these transfers was €774,565.

These transfers refer to the reallocation of the surplus under administrative expenditure (i.e. Title I and II) to operational projects as well as to readjustments of funds within Title III.

The impact of transfers is summarised in the table below.

BT	Date of adoption	Main subject Description	Impact on appropriations (in EUR)
2019-01	16/05/2019	Following a budget revision and taking into consideration the part-time working regime and parental leaves that have been requested, amounts found to be in surplus under the salaries budget lines.	Title 1 -€250,000
		€150,000 transferred to cover the translation of the Handbook of European data protection law in additional EU languages.	Title 3 +€250,000
		€80,000 were used for a FRA opinion which assessed the state of equality in the European Union 20 years after the adoption of the Racial Equality and the Employment Equality Directives, along the lines of the FRA Opinion 1/2013 on the situation of equality in the European Union 10 years on from the initial implementation of the equality directives.	
		€150,000 were transferred to raising awareness and effectively promoting rights. The additional funds were covered from within Title III.	
2019-02	12/12/2019	A surplus was created due to changes in staffing that occurred throughout the year, earlier terminations of traineeship and the fact that the 2019 reclassification exercises for temporary agent [TA] and contract agents [CA] were postponed for 2020.	Title 1 - €262,979
		The Agency's strategic decision to develop and configure its new Document Management System and Project Management software in-house led to considerable savings. Moreover, the Agency had its expenses reduced in other areas such as removal, telecommunication services.	Title 2 - €261,586
		€132,000 were transferred for a small scale research on how the protective provisions of the employers Sanctions Directive 2009/52/EC is being implemented in 25 EU Member States and for a complementary research on long term residents status bound by the relevant Directive 2003/109/EC.	Title 3 +€524,565
		€128,000 were dedicated for the translation of the Handbook on European non-discrimination law in additional languages.	
		€145,000 were used to advance the work of the project presumption of innocence, which was initially foreseen to take place in 2020.	

1.2 Budget implementation

The implementation of consolidated authorised appropriations is provided below.

Initial budget	Carry-over from 2018	Amending budgets	MB transfers	Agency transfers	Final budget	CA Actual 2019	CA Rate	PA Actual 2019	PA Rate
22,446,000	555,412	425,576	0	0	23,426,988	22,649,712	98%	17,318,353	77%

The implementation rate of C1 payment appropriations (PA) under Title III was 40%. This level of implementation is in line with the Agency's estimations and it has been increased by 10% compared to the previous financial year.

It should be noted that most of the Agency's operational projects have an implementation period of at least one year. In this case, the Agency is anyway compelled to automatic carrying forward high levels of outstanding amounts at the end of the financial year.

Implementation of C1 appropriations

Budget Item	Budget Item Description	Appropriations 2019 €	Commitments 2019 €	% Committed	Payments 2019 €	% Paid
A-1100	Basic salaries	6,400,650	6,400,650	100%	6,400,650	100%
A-1101	Family allowances	814,947	814,947	100%	814,947	100%
A-1102	Expatriation and foreign-residence allowances	941,606	941,606	100%	941,606	100%
A-1103	Secretarial allowances	-	-	0%		
A-1113	Trainees	315,839	315,839	100%	315,839	100%
A-1115	Contract Agents	1,857,102	1,857,102	100%	1,857,102	100%
A-1130	Insurance against sickness	225,531	225,531	100%	225,531	100%
A-1131	Insurance against accidents & occupational disease	25,302	25,302	100%	25,302	100%
A-1132	Insurance against unemployment	88,570	88,570	100%	88,570	100%
A-1140	Childbirth and death grants	198	198	100%	198	100%
A-1141	Travel expenses for annual leave	104,003	104,003	100%	104,003	100%
A-1178	External services	108,590	108,590	100%	105,436	97%
A-1190	Salary weightings	440,997	440,997	100%	440,997	100%
A-1200	Recruitment expenses	21,207	21,207	100%	21,207	100%
A-1201	Travel expenses	252	252	100%	252	100%
A-1202	Installation resettlement and transfer allowances	-	-	0%		
A-1203	Removal expenses	10,856	10,856	100%		
A-1204	Temporary daily subsistence allowances	9,989	9,989	100%	9,989	100%
A-1300	Missions & duty travel exp & other ancillary exp.	104,394	104,394	100%	74,060	71%
A-1410	Medical service	60,885	60,885	100%	46,450	76%
A-1420	Professional training of staff	575,486	575,486	100%	215,455	37%
A-1430	Legal services	103,905	103,905	100%	36,037	35%
A-1520	Staff exchanges	462,536	462,536	100%	462,536	100%
A-1610	Social contacts between staff	11,462	11,462	100%	11,287	98%
A-1620	Other welfare expenditure	1,037,789	1,037,789	100%	1,037,789	100%
A-1630	Early childhood centres and crèches	148,651	148,651	100%	148,651	100%
A-1700	Entertainment and representation expenses	2,922	2,922	100%	2,403	82%
	Total Title I	13,873,667	13,873,667	100%	13,386,294	96%
A-2000	Rent	612,724	612,724	100%	612,724	100%
A-2010	Insurance	13,752	13,752	100%	13,752	100%
A-2020	Water Gas Electricity and Heating	69,443	69,443	100%	69,443	100%
A-2030	Cleaning and maintenance	351,006	351,006	100%	340,921	97%
A-2040	Fitting-out of premises	-	-	0%		
A-2050	Security and surveillance of buildings	117,011	117,011	100%	105,472	90%
A-2100	Data processing	490,724	490,724	100%	201,374	41%
A-2101	Software Development	200,583	200,583	100%	183,350	91%
A-2102	Other external services for data processing	41,100	41,100	100%	31,100	76%
A-2200	Technical equipment and installations	-	-	0%		

Budget Item	Budget Item Description	Appropriations 2019 €	Commitments 2019 €	% Committed	Payments 2019 €	% Paid
A-2203	Maintenance use & repair of tech equip. & instal.	-	-	0%		
A-2210	Furniture	48,962	48,962	100%	4,876	10%
A-2230	Hire of vehicles	3,000	3,000	100%	2,747	92%
A-2250	Library stocks purchase of books	-	-	0%		
A-2300	Stationery and office supplies	19,632	19,632	100%	15,995	81%
A-2320	Bank charges	2,271	2,271	100%	261	12%
A-2330	Legal expenses	-	-	0%		
A-2353	Departmental removals and associated handling	37,029	37,029	100%	30,314	82%
A-2355	Publications and reproduction of documents	9,053	9,053	100%	1,005	11%
A-2400	Postage and delivery charges	18,909	18,909	100%	16,441	87%
A-2410	Telecommunications charges	81,625	81,625	100%	45,066	55%
A-2411	Telecommunications equipment	-	-	0%		
A-2550	Miscellaneous expenditure for meetings	8,108	8,108	100%	8,108	100%
A-2601	Studies surveys consultations	11,264	11,264	100%		
	Total Title II	2,136,196	2,136,196	100%	1,682,950	79%
B3-211	Info soc. respect for priv life & prot. pers. data	767,733	767,733	100%	115,018	15%
B3-220	Migration borders asylum&integration	776,407	776,407	100%	133,353	17%
B3-311	Racism xenophobia and related intolerance	157,113	157,113	100%	35,383	23%
B3-330	Equality & discrimination	717,261	717,261	100%	189,802	26%
B3-350	Rights of the child	17,882	17,882	100%	9,365	52%
B3-360	Integration&social inclusion of ROMA	61,909	61,909	100%	41,467	67%
B3-610	Victims of crime & access to justice	364,545	364,545	100%	96,917	27%
B3-640	Judicial cooperation	186,078	186,078	100%	11,124	6%
B3-700	Annual Report	407,819	407,819	100%	148,635	36%
B3-701	Research and data collection	1,170,140	1,170,140	100%	899,338	77%
B3-711	Communication and awareness-raising	1,247,448	1,247,448	100%	503,514	40%
B3-801	Bodies of the Agency	269,965	269,965	100%	211,625	78%
B3-802	Consultation mechanisms	291,839	291,839	100%	201,037	69%
B3-900	Reserve for Title 3	-	-	0%		
	Total Title III	6,436,137	6,436,137	100%	2,596,580	40%
	Total C1	22,446,000	22,446,000	100%	17,665,824	79%

Implementation of C4 appropriations

No C4 funds were available for implementation during the financial year.

Implementation of C5 appropriations

No C5 funds were available for implementation during the financial year.

Implementation of C8 appropriations

Budget Item	Budget Item Description	Appropriations 2019 €	Commitments 2019 €	% Committed	Payments 2019 €	% Paid
A-1178	External services	2,395	1,622	68%	1,622	68%

Budget Item	Budget Item Description	Appropriations 2019 €	Commitments 2019 €	% Committed	Payments 2019 €	% Paid
A-1200	Recruitment expenses	19,404	18,818	97%	18,818	97%
A-1300	Missions & duty travel exp & other ancillary exp.	26,842	26,545	99%	26,545	99%
A-1410	Medical service	7,627	5,832	76%	5,832	76%
A-1420	Professional training of staff	42,459	29,720	70%	29,720	70%
A-1430	Legal services	907	907	100%	907	100%
Total Title I		99,635	83,445	84%	83,445	84%
A-2030	Cleaning and maintenance	8,880	8,362	94%	8,362	94%
A-2050	Security and surveillance of buildings	7,373	7,373	100%	7,373	100%
A-2100	Data processing	136,287	136,282	100%	136,282	100%
A-2101	Software Development	76,485	70,117	92%	70,117	92%
A-2230	Hire of vehicles	11	11	100%	11	100%
A-2300	Stationery and office supplies	2,035	2,034	100%	2,034	100%
A-2320	Bank charges	2,010	2,010	100%	2,010	100%
A-2353	Departmental removals and associated handling	1,680	1,680	100%	1,680	100%
A-2355	Publications and reproduction of documents	700	584	83%	584	83%
A-2400	Postage and delivery charges	615	445	72%	445	72%
A-2410	Telecommunications charges	29,387	29,266	100%	29,266	100%
A-2601	Studies surveys consultations	16,896	16,896	100%	16,896	100%
Total Title II		282,359	275,059	97%	275,059	97%
B3-211	Info soc. respect for priv life & prot. pers. data	265,318	260,652	98%	260,652	98%
B3-220	Migration borders asylum&integration	426,024	425,113	100%	425,113	100%
B3-311	Racism xenophobia and related intolerance	77,842	70,998	91%	70,998	91%
B3-330	Equality & discrimination	390,967	382,596	98%	382,596	98%
B3-350	Rights of the child	8,319	6,861	82%	6,861	82%
B3-360	Integration&social inclusion of ROMA	940,177	940,177	100%	888,921	95%
B3-610	Victims of crime & access to justice	21,163	21,163	100%	21,163	100%
B3-640	Judicial cooperation	71,347	71,314	100%	71,314	100%
B3-700	Annual Report	295,498	288,668	98%	288,668	98%
B3-701	Research and data collection	2,050,653	2,048,514	100%	2,048,514	100%
B3-711	Communication and awareness-raising	341,824	324,360	95%	324,360	95%
B3-801	Bodies of the Agency	38,367	37,792	99%	37,792	99%
B3-802	Consultation mechanisms	21,171	18,442	87%	18,442	87%
Total Title III		4,948,670	4,896,650	99%	4,845,394	98%
Total C8		5,330,664	5,255,153	99%	5,203,897	98%

Implementation of R0 appropriations

Budget Item	Budget Item Description	Appropriations 2019 €	Commitments 2019 €	% Committed	Payments 2019 €	%Paid
A-2000	Rent	588,000	244,000	41%	244,000	41%
	Total Title I	588,000	244,000	41%	244,000	41%
B4-000	Cooperation with Financial Mechanism Office	525,698	239,972	46%	113,053	22%
B4-010	Partnership Agreements	74,433	72,442	97%	13,138	18%
	Total Title IV	600,131	312,414	52%	126,190	21%
	Total R0	1,188,131	556,414	47%	370,190	31%

2. Multi-annual overview

The Agency does not manage multi-annual commitments and payments for its operational expenditure.

3. Revenue

3.1 Nature of Revenue

One (1) recovery order was carried over from 2018 to 2019. During the financial year, ten (10) recovery orders were issued. Eleven (11) recovery orders were cashed including the one (1) that was carried over from 2018 to 2019. Four (4) of the recovery orders related to the 2019 European Union subsidy, two (2) to the 2019 rent subsidy received from the Austrian authorities, one (1) to the 2020 rent subsidy received from the Austrian authorities, two (2) of them to the partnership agreement with the Financial Mechanism Office (FMO) and one (1) of them to the partnership agreement with the Bulgarian National Statistics Institute.

Participation of candidate countries in the Agency's work

Noth Macedonia and Serbia participated in the work of the Agency. Therefore, for 2019 the Agency received €175,000 for North Macedonia and €183,000 for Serbia.

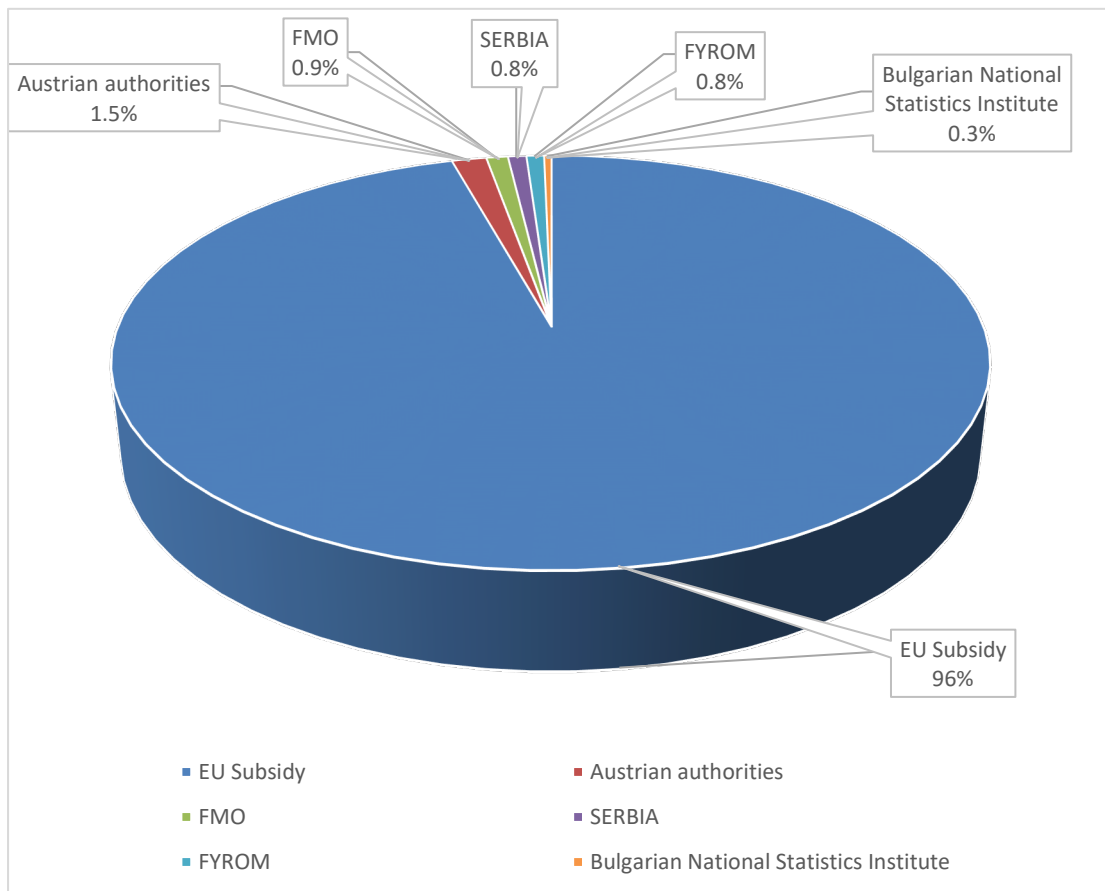
Implementation of internal assigned revenue

In 2019, the Agency did not have to its disposal and did not receive any internal assigned revenue.

Implementation of earmarked revenue

In 2019, the Agency received from the Austrian authorities the rent contribution for the period January – December 2019 (i.e. €244,000) as well as for January – June 2020 (i.e. €100,000). In addition, based on the cooperation arrangement between the Financial Mechanism Office (FMO) and the Agency, the first will contribute to the latter by €1.5 million for seven years; that is an amount of €214,286 per year, paid in two instalments. During 2019, the Agency received an amount of €214,286 (i.e. the fourth and the fifth instalments foreseen in the agreement). Moreover, the Agency also signed a partnership agreement with the Bulgarian National Statistics Institute for the period 2019-2021 for which the Agency will receive a maximum amount of €248,111 split in several instalments. Within this context, in July 2019 the Agency received €74,433.

3.2 Overview per contributor



4. Glossary on terms, abbreviations and acronyms used in the report

Term	Definition
ABAC	This is the name given to the Commission's accounting system, which since 2005 has been enriched by accrual accounting rules. Apart from the cash-based budget accounts, the Commission produces accrual-based accounts which recognise revenue when earned, rather than when collected. Expenses are recognised when incurred rather than when paid. This contrasts with cash basis budgetary accounting that recognises transactions and other events only when cash is received or paid.
Accounting	The act of recording and reporting financial transactions, including the creation of the transaction, its recognition, processing, and summarisation in the financial statements.
Administrative appropriations	Administrative appropriations cover the running costs of the Institutions and entities (staff, buildings, office equipment).
Adjustment	Amending budget or transfer of funds from one budget item to another.
Adopted budget	Draft budget becomes the adopted budget as soon as it is approved by the Budgetary Authority. Cf. Budget.
Agencies	EU bodies having a distinct legal personality, and to whom budget implementing powers may be delegated under strict conditions. They are subject to a distinct discharge from the discharge authority.
Amending budget	Decision adopted during the budget year to amend (increase, decrease, transfer) aspects of the adopted budget of that year.
Annuality	The budgetary principle according to which expenditure and revenue is programmed and authorised for one year, starting on 1 January and ending on 31 December.
Appropriations	Budget funding. The budget forecasts both commitments (legal pledges to provide finance, provided that certain conditions are fulfilled) and payments (cash or bank transfers to the beneficiaries). Appropriations for commitments and payments often differ – differentiated appropriations – because multiannual programmes and projects are usually fully committed in the year they are decided and are paid over the years as the implementation of the programme and project progresses. Non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments and commitment appropriations equal payment appropriations.
Assigned revenue External/Internal	Dedicated revenue received to finance specific items of expenditure. Main sources of external assigned revenue are financial contributions from third countries to programmes financed by the Union. Main sources of internal assigned revenue is revenue from third parties in respect of goods, services or work supplied at their request; (c) revenue arising from the repayment of amounts wrongly paid and revenue from the sale of publications and films, including those on an electronic medium. The complete list of items constituting assigned revenue is given in the Financial Regulation Art. 21(2).
Authorising Officer (AO)	The AO is responsible in each institution for authorising revenue and expenditure operations in accordance with the principles of sound financial management and for ensuring that the requirements of legality and regularity are complied with.

Term	Definition
Budget	Annual financial plan, drawn up according to budgetary principles, that provides forecasts and authorises, for each financial year, an estimate of future costs and revenue and expenditures and their detailed description and justification, the latter included in budgetary remarks.
Budget result	The difference between income received and amounts paid, including adjustments for carry-overs, cancellations and exchange rate differences. The resulting amount will have to be reimbursed to the funding authority as provided in the Financial Regulation for Agencies.
Budget implementation	Consumption of the budget through expenditure and revenue operations.
Budget item / Budget line / Budget position	As far as the budget structure is concerned, revenue and expenditure are shown in the budget in accordance with a binding nomenclature which reflects the nature and purpose of each item, as imposed by the budgetary authority. The individual headings (title, chapter, article or item) provide a formal description of the nomenclature.
Budgetary authority	Institutions with decisional powers on budgetary matters: the European Parliament and the Council of Ministers.
Budgetary commitment	A budgetary commitment is a reservation of appropriations to cover for subsequent expenses.
Cancellation of appropriations	Unused appropriations that may no longer be used.
Carryover of appropriations	Exception to the principle of annuality in so far as appropriations that could not be used in a given budget year may, under strict conditions, be exceptionally carried over for use during the following year.
Commitment appropriations	Commitment appropriations cover the total cost of legal obligations (contracts, grant agreements/decisions) that could be signed in the current financial year. Art. 7 FR: <i>Commitment appropriations cover the total cost in the current financial year of legal obligations (contracts, grant agreements/decisions) entered into for operations extending over more than one year.</i>
De-commitment	Cancellation of a reservation of appropriations.
Differentiated appropriations	Differentiated appropriations are used to finance multiannual operations; they cover, for the current financial year, the total cost of the legal obligations entered into for operations whose implementation extends over more than one financial year. Art. 7 FR: <i>Differentiated appropriations are entered for multiannual operations. They consist of commitment appropriations and payment appropriations.</i>
Earmarked revenue	Revenue earmarked for a specific purpose, such as income from foundations, subsidies, gifts and bequests, including the earmarked revenue specific to each institution. (Cf. Assigned revenue)
Economic result	Impact on the balance sheet of expenditure and revenue based on accrual accounting rules.
Entitlements established	Entitlements are recovery orders that the European Union must establish for collecting income.

Term	Definition
Exchange rate difference	The difference resulting from currency exchange rates applied to the transactions concerning countries outside the euro area, or from the revaluation of assets and liabilities in foreign currency at the closure.
Expenditure	Term used to describe spending the budget from all types of funds sources.
Financial regulation (FR)	Adopted through the ordinary legislative procedure after consulting the European Court of Auditors, this regulation lays down the rules for the establishment and implementation of the general budget of the European Union. (OJ L 193/30.07.2018, p. 1)
Funds Source	Type of appropriations (e.g.: C1, C2, etc.)
Grants	Direct financial contributions, by way of donation, from the budget in order to finance either an action intended to help achieve an objective part of an EU policy or the functioning of a body which pursues an aim of general European interest or has an objective forming part of an EU policy.
Implementation	Cf. Budget implementation
Income	Cf. Revenue
Joint Undertakings (JUs)	A legal EU-body established under the TFEU. The term can be used to describe any collaborative structure proposed for the <i>"efficient execution of Union research, technological development and demonstration programmes"</i> .
Lapsing appropriations	Unused appropriations to be cancelled at the end of the financial year. Lapsing means the cancellation of all or part of the authorisation to make expenditures and/or incur liabilities which is represented by an appropriation.
Legal base (basic act)	The legal base or basis is, as a general rule, a law based on an article in the Treaty giving competence to the Community for a specific policy area and setting out the conditions for fulfilling that competence including budget implementation. Certain Treaty articles authorise the Commission to undertake certain actions, which imply spending, without there being a further legal act.
Legal commitment	A legal commitment establishes a legal obligation towards third parties.
Non-differentiated appropriations	Non-differentiated appropriations are for operations of an annual nature. (Art. 9 FR). In the EU-Budget non-differentiated appropriations apply to administrative expenditure, for agricultural market support and direct payments.
Operational appropriations	Operational appropriations finance the different policies, mainly in the form of grants or procurement.
Outstanding commitment	Legal commitments having not fully given rise to liquidation by payments. Cf. RAL.
Outturn	Cf. Budget result
Payment	A payment is a cash disbursement to honour legal obligations.
Payment appropriations	Payment appropriations cover expenditure due in the current year, arising from legal commitments entered in the current year and/or earlier years (Art. 7 FR).

Term	Definition
RAL	Sum of outstanding commitments. Outstanding commitments (or RAL, from the French ' <i>reste à liquider</i> ') are defined as the amount of appropriations committed that have not yet been paid. They stem directly from the existence of multiannual programmes and the dissociation between commitment and payment appropriations. (Cf. <i>Outstanding commitments</i>).
Recovery	The recovery order is the procedure by which the Authorising officer (AO) registers an entitlement by the Commission in order to retrieve the amount which is due. The entitlement is the right that the Commission has to claim the sum which is due by a debtor, usually a beneficiary.
Result	Cf. Outturn
Revenue	Term used to describe income from all sources financing the budget.
Rules of application	Detailed rules for the implementation of the financial regulation. They are set out in a Commission regulation adopted after consulting all institutions and cannot alter the financial regulation upon which they depend.
Surplus	Positive difference between revenue and expenditure (see Budget result) which has to be returned to the funding authority as provided in the Financial Regulation.
Transfer	Transfers between budget lines imply the relocation of appropriations from one budget line to another, in the course of the financial year, and thereby they constitute an exception to the budgetary principle of specification. They are, however, expressly authorised by the Treaty on the Functioning of the European Union under the conditions laid down in the Financial Regulation. The FR identifies different types of transfers depending on whether they are between or within budget titles, chapters, articles or headings and require different levels of authorization.